

CHAPTER 18

PRISON WORKSHOPS AND STOCK CONTROL SYSTEMS

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CHAPTER 18

PRISON WORKSHOPS AND STOCK CONTROL SYSTEMS (KITCHENS AND HOSPITALS)

1. INTRODUCTION

Some of the Management Areas which the Commission had to investigate had workshops in which the prisoners were employed to work. This was either for employment purposes or to train the prisoners as part of the Department's rehabilitation programmes.

The two workshops which were investigated by the Commission were at the Pollsmoor and Pretoria Management Areas.

It was clear to the Commission that whilst the workshops partly achieved what they intended to achieve there were still a lot of problems with maladministration and corruption. This chapter of the report seeks to deal with the problems the Commission encountered in the aforesaid workshops.

The Commission investigators also took the liberty of checking the stock control measures at the various kitchens and hospital in the Pretoria Management Area. These findings will also be dealt with in this chapter of the report.

2. WORKSHOPS IN PRISONS

2.1 Previous Investigations

Prior to the establishment of the Jali Commission, auditors Deloitte and Touche, on 29 September 2000, reported to the Director: Office of the Director-General Department of Public Service and Administration with regard

to an investigation into the alleged irregularity in the operation of industries at the Boksburg Prison. In that report it is stated that it was decided in 1992 that State Departments were to be run on business principles. On a pro forma basis it was decided to determine how these principles would be adopted in Correctional Services.¹

The report describes that the Correctional Services industries included eight (8) wood and steel workshops at various prisons. These prisons supply the needs of the Department of Correctional Services and other State departments and employees of State departments under various codes, being Code 01 for the Department of Correctional Services' needs, Code 03 for State departments' needs and employees of State departments being Code 04 or "chalet work".

It is further reported that the procedures for ordering and manufacturing items are set out in the workshop manual by Correctional Services Head Office. The following documents are to be generated at the workshops:

- VAS1, being a formal requisition.
- VAS2, being a requisition sent to the Logistics Department for items used during manufacturing.
- A quote for chalet work (which the individual has to accept or reject within 30 days).
- A job card indicating the work order number.
- A document entitled G7, which is a delivery note.
- A Z10A form indicating the cost and receipt for the chalet work.

Monthly results were submitted to Head Office by each industry and various monthly reports were generated by the workshops, including income statements, allocation tables and details of income.

The investigation carried out by Deloitte and Touche revealed the following:

¹ See Head Office Exhibit "VVV"

- 1) There were unexplained surpluses of some R700 000,00 between sales amounts on the physical job cards and the system-generated financial reports.
- 2) There was an unexplained shortage of about R400 000,00 between raw materials issued per the physical job cards and the system-generated financial report.
- 3) There was an unexplained difference of R1 000 000 between two (2) financial system-generated reports. In this regard, two (2) separate financial system-generated reports, both of which provided revenue details for the same financial year.
- 4) There were large differences between the Logistics and the Workshop systems.
- 5) The values of selected items on the Logistics report were compared in certain instances to the values on the job cards. Significant variances in the values were identified in this exercise. These differences, Deloitte and Touche states, could be attributable to both input errors and system weaknesses.
- 6) It was identified that there are weaknesses in the control environment at the Workshop, Logistics and Financial offices. At that time there were three (3) independent systems in operation, which were not integrated or reconciled on a regular basis.

2.2 Department Regulations

Currently, the specific directions and provisions applicable to work at prison workshops are contained in Chapter 3 of the Workshop Manual, Amendment 1/2001, and can be summarised as follows:

- Work may be carried out on a remuneration basis for officials, member clubs or pensioners of the Department of Correctional Services, as well as the officials of certain other State departments.
- Work for the State must at all times receive preference over the chalet work.
- Chalet work may only be undertaken for the client's own use and may under no circumstances be considered unless it is clearly certified that the service is for own personal need and/or use.
- A clear explanation and/or specification of the required product/service must accompany the application.
- Only one (1) application per client for the rendering of a service or a product is allowed.
- The relevant workshop manager must approve all chalet work and this function may not be delegated.
- Any item that has been manufactured or serviced may, under no circumstances, be handed over to the client or leave the workshop before payment is finalised. A receipt must serve as proof of payment and must be presented to the official responsible for the issuing of the completed items.

Chapters 8.2 and 8.4 of the manual dictate the cost and price criteria applicable to chalet work.

Investigations further revealed that there were two (2) methods that could be used to pay for chalet work, namely by debit order or cash payment. With respect to a debit order payment, the member would complete a debit order document, which would be forwarded to the Personnel Department to ensure that monies are deducted from the member's salary. If the member decided to

pay by cash, he would be issued with what is known as a Z10A invoice. The financial officer would furnish a receipt known as a Z371 form, which must be given to the workshop before the chalet work could be released.

2.3 Pollsmoor Workshop

2.3.1 Commission Investigations and Hearings

2.3.1.1 Introduction

The Commission heard evidence about corruption in the workshops run in Pollsmoor Prison. Prisoners in the workshops manufacture various goods, some of which are ordered by the Department of Correctional Services. In addition, employees of the Department are allowed to have items made. In each case certain procedures have to be followed and members are charged accordingly for goods that they order.

The Commission heard that a number of jobs that were being undertaken were “smokkel” (smuggling) jobs. In such instances the correct forms were not filled in and prisoners were often not asked how much time was worked to determine whether the correct amount was being charged for the jobs. In some cases the member would bring material to the workshops, while on other occasions State material that was in the workshop would be used.

2.3.1.2 The Evidence

The Commission heard evidence from four prisoners on the workshops.

Mr Renier van Jaarsveld de Bruin worked as a workshop storeman from 1996. He said that people would come into the storeroom for material for making braais, for example, when they were supposed to be making beds. He said that if one walked around the workshop one would see that people are doing work that they are not supposed to be doing. He said that it is

impossible for prisoners to be doing work like that without the prison guards being aware of it.

Prisoner Mr Van Schalkwyk said that in some instances jobs for warders were not entered into the book at all, and in other cases the entries did not reflect the correct amount of material and time spent on the job.

A former prisoner whose name was withheld from publication told the Commission that while he worked in the welding section of the workshops he was asked to make various things that were not for prison purposes. He was also told by Mr Sarel du Toit that if the workshop manager, Mr Mitchell Bron, came around, he must leave the “smokkel” job alone and carry on with other work.

This former prisoner later wrote a letter to the State President, the Commissioner, Minister of Correctional Services, Judge Fagan and Concor. In the letter he stated that there is gross mismanagement of State material and labour at the expense of the Department of Correctional Services by certain sub-departmental supervisors at the workshops who are running private businesses and using workshop labour time, materials, abrasives and gas.²

He said that he was victimised after he sent the letter when warders suspected that it came from him. However, he said that it was to a large extent general knowledge within the workshops that “smokkel” jobs were being done. He also told the Commission that when it became known that he was going to testify before the Commission he received a threatening phone call.

Mr van Jaarsveld de Bruin subsequently worked in the engineering section of the workshop under Mr Ben McClune, and with Mr du Toit as supervisor. The prisoner said Mr du Toit would come to him with “smokkel” jobs, which the inmate would make and sometimes put into the member’s bag to take home.

² See Pollsmoor hearings, Exhibit “F1”.

Mr van Jaarsveld de Bruin also told the Commission that he went to Mr du Toit's house on the Pollsmoor premises many times to drop off steel, or pick up items that needed to be taken for galvanising, and to fix his floor on one occasion. The prisoner testified that there is a small welding shop in Mr du Toit's garage and he believed that some items he manufactured at the prison were private jobs that were contracted from Mr du Toit. Mr van Jaarsveld de Bruin said that State material and State machines were used to manufacture these goods.

Prisoner Johannes Albertus Kleyn said that when stock counts and audits are conducted of the tools, the number of tools is checked but not the serial numbers. This enables members to take home new equipment and replace it with their own old tools. Mr van Jaarsveld de Bruin also claimed that old and useless tools were swapped for new tools bought by the Department. For example, on one occasion, Mr van Jaarsveld de Bruin said he saw Mr McClune put a new electric drill that had been obtained by the Department in a bag belonging to Mr van Schalkwyk. The bag was subsequently taken out of the prison and the drill given to Mr McClune.

Mr Kleyn said that he had been in the workshop only two or three days when he was given his first private job to do. Amongst the items he manufactured were five (5) litre jugs for Mr van der Westhuizen, braais, jetmaster fireplaces and smokers. He kept a diary for a while of jobs that he believed were private because no hours were booked on the jobs. They were usually rush jobs and they never appeared on the job schedule that is written up on a board in the office.

Mr van Jaarsveld de Bruin said that Mr Crafford had a private business of his own which carried out sheet metal work, and he worked in the sheet metal workshop at Pollsmoor. Mr Kleyn said that in 1998 he made covers for air conditioners which were transported to a company in Montague Gardens to be polished. Mr Crafford brought them back to show what the polishing look like and then transported them home in his bakkie. Mr Kleyn said Mr Crafford

also offered Mr Kleyn, as well as one or two other prisoners, a job at his business.

Mr Kleyn told the Commission that on one occasion he was asked to make about 20 light fittings for a poultry farm. He said that Mr Crafford gave him a drawing for that job on a piece of paper that had Brackenfell Enterprises and a telephone number on it. The company is the name of the business run by Mr Crafford from his house.

Mr van Jaarsveld de Bruin said he had made items for Mr Victor in the workshop on several occasions where the member had not asked for information relating to the number of hours worked and the materials used.

Mr van Jaarsveld de Bruin started to make notes about the irregularities at the beginning of 2001 and when Mr Grant started working in the workshops and the first complaints were made. Mr Jafta spoke to him and gave him the paper work. At a later stage they saw the Institutional Committee, but nothing happened.

Mr van Jaarsveld de Bruin said "Tommy Olsen called us to a special meeting. As far as I know it was because of the letter that Grant Knight sent. The letter raised two issues: That certain prisoners were getting special treatment and that 'smokkel' jobs were being done in the workshop. Olsen only asked questions about treatment and racism and stuff like that, but didn't discuss the 'smokkel' situation. Mr Bron was in the office at the time the questions were asked."

Mr Bron must have known that these things happened in the past because Mr van Jaarsveld de Bruin made things for him and on one occasion fixed his iron for which he was paid R10.

Mr Ernest Marais van Schalkwyk told the Commission that the prisoners were usually paid with cigarettes or they were bought something from the shop.

Mr Bron, who was appointed as workshop manager in 1999, testified in response to the allegations. He said that “chalet work” is the name given to jobs done in the workshop for government employees and members of the Department. Such jobs require the member concerned to fill in forms after which a quotation is worked out by the artisan or production worker together with the section head. If the person requesting the item agrees on the terms, he signs an agreement. In some cases the individual will supply material but in some cases material is supplied by the Department in return for payment of the goods. As a result of the investigation by the Commission and the allegation that not all work for members was being documented correctly, Mr Bron banned the workshop from carrying out chalet work

Mr Bron denied that any “smokkel” jobs were done for himself and said that he was aware that Mr Crafford and Mr du Toit work from their houses, but he was not sure if the private work was business or hobby. However, he said it was well known at Pollsmoor that personnel have other business interests. For example, members run tuck shops from the premises at Pollsmoor.

The Department has issued guidelines to assist members to calculate the number of hours it would take to manufacture specific goods, and how much material would be required for the jobs.

The Commission resolved that argument in this matter should not be finalised and that a thorough forensic investigation should be conducted and a report tabled before the Commission.

The evidence on this matter raised the need for the entire running of the workshop to be re-considered. Of particular concern is the need for complete documentation to be kept concerning operations at the workshop.

2.3.2 The Forensic Investigations

After receiving the abovementioned evidence from witnesses of corruption and maladministration in the workshop at Pollsmoor Prison, the Commission

again engaged the services of the auditing firm Manase & Associates so as to obtain further evidence.

One of the areas prioritised in the assignment to Manase & Associates was the alleged lack of financial controls and maladministration in the workshop at Pollsmoor, with specific reference to systems and accounting for "chalet work" commissioned by Correctional staff at Pollsmoor.

The following documents were seized in conducting the investigation:

- Z10A books.
- Z371 books.
- Computer printed work sheets/job cards.
- The chalet work register.

These documents were analysed and a spreadsheet was prepared.³

2.3.3 Findings

Pursuant upon its investigations the Commission makes the following findings:

- (a) Notwithstanding the provisions of the Workshop Manual referred to above, it was established that the procedures were not being followed at Pollsmoor workshop.⁴
- (b) There are nine (9) risk areas which need to be attended to urgently :
 - (i) There is no access control to enter the administration office in the workshop, therefore anybody can enter this office freely. Documents can be removed and any member can create worksheets on the computer.

³ See Copies of spreadsheets marked "A1 to A15" - Pollsmoor Management Area Exhibit "SSS".

⁴ See the Workshop findings Pollsmoor Exhibit "HHH".

- (ii) Any member can gain access to the computer system in the Administration Office and create worksheets, as the system does not require any user identification/authorisation code. It is not running on a mainframe or network system.
- (iii) Presently there are no proper controls regarding the internal stores. Any person, being a member or prisoner, can enter these stores and take whatever they need to complete work. This maximises the risk of unauthorised work being performed by members and prisoners using State materials.
- (iv) Normal members have direct access to the workshops to request or collect their chalet work. There are no proper quotations given on formal documents to the members. Quotations are currently done on pieces of scrap paper or on the back of a chalet form. There is no proper reconciliation between the worksheet and the work order and the chalet work register before an invoice can be generated.
- (v) Members can easily run their own private businesses from the workshop or use the facilities for their own private benefit, contrary to standing orders that one should get the necessary permission to operate private businesses and that they should be disclosed.
- (vi) Any member can order materials as they are needed; therefore there is no proper control.
- (vii) All the members working in the workshop are responsible for getting outside quotations if the work justifies it. Due to this irregularities can occur.

- (viii) There is nobody responsible for controlling the outer limit gate that gives access to the workshops. Any person can currently drive into the workshop/logistics area without being checked or searched. It is easy to remove goods from the area.
- (ix) The prisoners currently receive their work orders on pieces of paper. This paper then gets thrown away. They do not know if they are doing state work or private work.
- (x) There is favouritism in the appointment of prisoners to work in the workshop.⁵

2.3.4 Recommendations

2.3.4.1 Admin Office in Workshop

The administration office should only be entered by appropriate members and should be closed off for the members working in the workshops. Better access control to this office is needed. This would minimise the risk of documents getting lost or unauthorised personnel gaining access to the computer.

2.3.4.2 Computer System in Admin Office

The computer system should be totally upgraded and linked to a central network. The user must then be able to access the network by using his/her own unique user identification code. This can also replace unnecessary documentation and minimise human error.

⁵ See Mr de Bruin's evidence at Pollsmoor Transcript Volume 5 at pages 482-3 where he alleges that this is as a result of racism.

2.3.4.3 Internal Stores

These internal stores must be relocated away from the workshops. The Logistics Department should handle this.

2.3.4.4 Chalet Work

Chalet work should be treated as state work and should proceed via the Logistics Department on proper documentation and with a proper description of what is needed. Logistics should then forward these requests to the workshops for a proper quotation. Once approved by the member, the Logistics Department must then request the work via the proper system (VAS documentation). When the work is completed by the workshops it must be sent back to Logistics, where the member will collect his/her product. Once the member accepts the quotation he should complete a debit order document. By doing this, it will ensure that members pay for what they request.

2.3.4.5 Private Work

Members should not be allowed to do outside work that is in direct conflict with their duties and Departmental steps should be taken against any member for not disclosing or getting the necessary authorisation to operate private business.

2.3.4.6 Ordering of Materials

The responsibility for ordering materials should be placed on a responsible administration clerk. An outside member should be appointed, maybe a female warder, to oversee the ordering of materials in the workshop.

2.3.4.7 Quotations

The responsibility for obtaining quotations should be placed on a designated administration clerk. An outside member should be appointed, maybe a female warder, to oversee the obtaining of quotations in the workshop.

2.3.4.8 Access Control

A member should be placed at the outer limit gate to control the access to the workshop/logistics area. Everything going in or out should be checked by this member. He must also be responsible to see if the necessary documentation corresponds with the goods going in or out.

2.3.4.9 Prisoners

Prisoners should be given proper official documentation as a method of instruction. This will measure their productivity as well as minimise the risk of doing private work unwillingly.

2.3.4.10 Favouritism

The evidence, which was led, indicated that there was favouritism in the manner in which people were selected to work at the workshop. In particular, one witness testified about the fact that the supervisor was predominantly appointing "white prisoners" to work at the workshop. In the circumstances, the Department is directed to investigate this particular aspect and ensure that:

- (i) Prisoners from all racial groups are given an opportunity to work at the workshops.
- (ii) The work force at the workshops clearly represents the demographics of this country.

- (iii) Working at the workshop should be rotated as best as possible, so that most prisoners will get the opportunity to obtain the necessary training and be rehabilitated accordingly.
- (iv) Clear guidelines should be prepared as to who will work at the workshops. In this regard, consideration should also be given to the length of the sentence the prisoner is serving.
- (v) Consideration should be given to those prisoners who are likely to be released within the next five (5) years to work at the prison workshops so that they can learn a skill or trade to enable them to be integrated back into society and earn a living upon their release.

2.4 Pretoria Workshop

Subsequent to Pollsmoor, investigations were conducted at the mechanical workshop of Pretoria Central Prison where, similarly, the investigators seized the job cards and the Z10A invoice books and members working in the workshop were investigated.⁶

2.4.1 Allegations

Advocate L. Halam, a Commission investigator, interviewed four (4) prisoners who had been working at the mechanical workshop at Pretoria Prison. Pursuant to those interviews, Advocate Halam prepared statements from three (3) of the prisoners.⁷ The prisoners were reluctant to sign the affidavits. However, an affidavit of Advocate Halam confirms that these statements were prepared by him on the basis of information provided to him by the prisoners.⁸

The allegations which were made by the prisoners against Mr Anthony

⁶ See copy of report dated 26 May 2003 – Pretoria Exhibit “OOOO”.

⁷ See Statements (4) of Prisoners prepared by Advocate Halam Pretoria Exhibit “PPPP”.

⁸ See the Affidavit of Advocate Halam Pollsmoor Exhibit “QQQQ”.

Erasmus, the member in charge of the workshop, were, amongst others, the following:

1. Mr Erasmus uses the workshop to repair private motor vehicles of members who are employed by the SANDF, DCS and SAPS. Mr Erasmus' father buys scrap cars and brings them to the workshop to be repaired under Mr Erasmus' name. His father, subsequent to that, will sell the cars to private customers;
2. Mr Erasmus regularly completes job cards and alleges that the work done on the car was minor work, when in fact it was a major service including, amongst others, the panel beating of the motor vehicle;
3. Sometimes motor vehicles are repaired and the proper procedures would not be followed in terms of collecting the monies, which are supposed to be collected from the customers. There were also allegations of theft of spares against him.

Besides the selective appointment of prisoners to work at the workshop, it also became apparent to the Commission that the criteria officials used to appoint prisoners did not take into consideration the duration of the sentence that is still to be served by the prisoner.

In this regard, it was found that in some of the workshops, especially in the privatised prisons, the prisoners who were given an opportunity to work at the workshops are serving long sentences. In fact, what that means is that even though they are given the skill, it will take time before they can utilise that skill on the outside. As a result, in some of the private prisons, the Commission observed that the prisoners ended up undergoing training in a number of trades to keep busy. These resources could be better utilised by appointing prisoners who are about to be released so that they are rehabilitated and can use those skills on the outside.

2.5 Findings

- a) Mr Erasmus, the supervisor of the mechanical workshop at Pretoria, appeared to have abused the facilities of the workshop in order to repair his motor vehicles, hardly ever completing the requisite documents correctly.

On being confronted with these allegations by the investigators, Mr Erasmus admitted that he ran a private "outside" business, which involved buying cars, repairing and then selling them.

- b) It was further established that:
 - (i) "Clients" have free access to the workshops and can communicate freely with the prisoners.
 - (ii) There appeared to be inadequate control over documentation, as job cards were not completed fully.
 - (iii) It was further found that there was no documentation on file to verify that the person who requested the work is, in actual fact, an employee of a Government department and therefore permitted to request such work in terms of the provisions of the Workshop Manual.

2.6 Recommendations

The Commission makes the following recommendations regarding workshops in prisons:

- a) Entry to the administrative office in the workshop should only be permitted to appropriate members and should be closed off to members working in the workshops. This would minimise the risk of documents becoming lost or that unauthorised personnel gain access

to the computer. It is also recommended that access to the workshops should generally be restricted to authorised personnel. Members of the public should be prohibited from being in contact with the prisoners and all communications should be with the supervisor of the workshop or with other authorised officials only.

- b) Workshops should institute controls over job cards, which would prohibit "clients" having access to these, as they may remove the job cards without effecting payment of any fees for work done.
- c) In addition, prisoners should complete and sign time sheets.
- d) A responsible official should compare these time sheets to the job cards and the invoices rendered to check for reasonableness and also as confirmation that all repairs undertaken have been invoiced.
- e) A copy of the "client's" identification card should be filed with the job card and each employee/member should also be asked to identify that the property made or being repaired is his/her own property.
- f) With regard to the computer system in the administrative office, the system should be totally upgraded and linked to a central network. The user would then be able to access the network by using his or her own unique user identification code. This could also replace unnecessary documentation and minimise human error.
- g) Chalet work should be treated as State work and should work via the Logistics Department with proper documentation and description of what is needed. Logistics should then forward these requests to the workshop for a proper quotation. Once approved by the member, the Logistics Department must then request the work via the proper system using the VAS documentation. Once the work is completed by the workshops, it must be sent back to Logistics where the member would collect his or her product. Once the member accepts the quotation, he

should immediately complete a debit order document. By doing this, it would be ensured that members pay for what they have requested.

- h) With regard to private work, it is apparent from the investigations, as well as the evidence led before the Commission in Cape Town, that members can easily run their own private businesses from the workshop or use the facilities for their own private benefit, contrary to standing orders that the necessary permission is required to operate private business with a full disclosure thereof. Members should, in no circumstances, be allowed to do outside work that is in direct conflict with their duties and Departmental steps should be taken against any member for not disclosing or obtaining the necessary authorisation to operate a private business.
- i) The current position whereby prisoners receive their work orders on pieces of paper, which are subsequently thrown away, creates a situation where it is not possible, at a later stage, to determine whether the work performed by the prisoner was State work or private work. Prisoners should be given official documentation as a method of instruction. They should also be required to detail and sign for the number of hours worked on any particular product so that proper controls are in place with regard to private work. This will have the added advantage of measuring the productivity of prisoners and also rule out the current situation whereby many prisoners are forced by members to do private work for them unwillingly.
- j) In light of the fact that the prisoners who made allegations against Mr Anthony Erasmus refused to sign affidavits, it would be difficult for the Commission to recommend that he should be charged criminally or even internally for anything. However, it is clear that Mr Erasmus is running a business similar to the work he is doing in the Department. In the circumstances, he has a conflict of interest.

In the light of the foregoing, the Commission will recommend the following:

- (i) The Department should check the records as to whether Mr Erasmus did disclose the fact that he has a private business;
- (ii) If Mr Erasmus did not make the disclosure, then disciplinary inquiries should be instituted against him for the above;
- (iii) If he did make the disclosure, then the Department should consider transferring him to another section where he will not be performing this type of work, as a result of the allegations raised against him by the prisoners.

3. STOCK CONTROL SYSTEMS: KITCHENS, HOSPITALS AND STOREROOMS

3.1 Introduction

Commission investigators conducted random stocktakes on 19 May 2003 of the kitchens at three (3) prisons situated in Pretoria, namely: C-Max, Local kitchen and Central kitchen. Random stocktakes were also conducted at a number of hospitals and storerooms.

This section of the Chapter considers the findings of these stocktakes and recommends various interventions that the Department of Correctional Services should make.⁹

⁹ In addition to this, auditors conducted an investigation into the alleged irregularity in the operation of industries at the Boksburg Prison on 29 September 2000, prior to the establishment of the Jali Commission.

3.2 C-Max Prison

The Commission investigators selected a few items to check whether there was compliance with the regulations.

The Commission investigators found the results of the C-Max Prison count disappointing, as none of the ten (10) items selected for stocktake checks agreed with the stock sheet. For example, thirty five (35) kilograms of brown sugar, fourteen (14) kilograms of milk powder, forty four (44) kilograms of chicken, ten (10) kilograms of pork and nine (9) kilograms of chicken noodles could not be accounted for.

The kitchen head, Mr Molate, had not signed any stock records for about a month. He would, in any event, only be in a position to sign these records once he had checked the stock sheets. When asked why he had not conducted the necessary stock checks, Mr Molate's response was that he is sometimes away at meetings and does not have time to check the records.

Obviously, this situation is untenable in that the flow of rations whilst he is away, coupled with the absence of proper stock controls, facilitates corruption.

The investigators further established that the stock sheet that was being used to compare against physical stock was the previous year's stock sheet. It appeared that the stock clerk had mistakenly continued adding and subtracting the food balances from the 2002 stock sheets, thereby creating an imbalance in the records.

This issue was raised with Mr Molate, who appeared embarrassed because the filing system was so poor. The investigators observed that the current and previous year's stock records were filed in one file, without any dividers.

3.3 Local Prison

The local kitchen serves the biggest prison in Pretoria, which caters for sentenced and awaiting trial prisoners totalling, at times, some 6 000 prisoners. Mr Seleke was the member in charge of the kitchen. The stock count that the Commission undertook rendered a totally satisfactory result in that all the items selected for the count agreed with the stock records.

The Commission investigators observed that the system used in this kitchen was totally different from the kitchens in the Leeuwkop and Johannesburg Management Areas. The kitchen in this instance uses a computer ordering and recording system, as well as a manual ordering and recording system. The computer system in use records the daily issues and receipts of the rations and it also shows the total number of every stock item.

The Commission found the filing system at this kitchen to be very good, as it was possible to easily identify a stock item and perform a stocktake. Furthermore, it was observed that frequent stocktakes had been undertaken to reconcile the physical stock.

3.4 Central Kitchen

The Commission investigators observed only one imbalance in this kitchen. The records showed twenty (20) kilograms more of Halall beef than the physical stocktake revealed. The head of the kitchen was Mr Motsepe.

3.5 Hospitals and Storerooms

During the Commission's random stocktakes at hospitals and storerooms, it was found that there were no controls on medicines, except for Schedule Five medicines with respect to which there is a register for control.

In addition to the recommendation, it would appear that the hospitals have not complied with the Department of Correctional Services Provisioning Administration System Manual and, more particularly, paragraph 9.0¹⁰, which deals with the storage, safekeeping and care of State stock and equipment.

Upon questioning of Mr Paxton, Head of Legal Services at Head Office by this Commission it was advised that paragraph 9.0 of the provisioning regulations referred to above is the only stock control direction applicable to hospitals, storerooms and kitchens.

4. CONCLUDING REMARKS

The workshops, kitchens and hospitals need regular stock taking to avoid problems within the Department. Stocktaking and proper controls are of significance especially if one considers that it is not only the prisoners but also the members who may abuse the stock in the kitchens and hospitals. In this regard one should refer to the Interim Reports¹¹ and one other Chapter¹² in this report, which deal with this aspect.

In light of the foregoing evidence, there is a need for regular stocktaking and auditing of the various workshops, kitchens and hospitals. If the Audit Reports do indicate that there is some form of corruption, or irregularities, or mismanagement, then thorough investigations should be conducted either by Forensic Auditors or the structures suggested in this report.

This report is merely a sample of what is going on in this area within the Department. The Commission is of the opinion that there is clearly a need for intervention by the Department or one of the Agencies within the Public Service. Stocktaking could be done by a dedicated unit in the Department.

¹⁰ The Manual is written in English and Afrikaans

¹¹ See the Eighth and Ninth Interim Report which dealt with the abuse of medicines and the sale of scheduled drugs (Rohypnol) to prisoners by a member.

¹² See Chapter dealing with the Theft of Prisoners' Food in this report.

5. RECOMMENDATIONS

Accordingly, the Commission makes the following recommendations regarding control and stocktaking.

5.1 Stock Controls Generally

- a) It is recommended that the Department consider separate directives with regard to the storage of State stock from those directives that would be applicable to equipment in view of the fact that certain stock, for example as may be found in the kitchen, is perishable and more susceptible to theft, given its situation. In this environment, more careful and detailed stock control measures need to be introduced.
- b) The Commission also recommends that a periodic physical stock count, at least once every second month, should take place, when:
 - (i) Items should be physically counted and have their descriptions and quantities recorded on stock sheets.
 - (ii) Thereafter, the stock should be priced per item and the stock sheets accumulated and totalled so that it is possible to determine the value of the stock on hand.
 - (iii) A team of two (2) people per area should be used during each stock count, one person to count and the other to record. A team of “checkers” should independently check their work.
 - (iv) Reconciliation must take place between stock counts. This is achieved by taking the opening stock count from the previous count to which must be added purchases since the opening stock, less legitimate issues from that stock and spoilage. This should result in a theoretical closing stock. Once this figure has

been obtained, the actual physical stock must then be compared with the results obtained from the reconciliation between stock counts.

- (v) Any material variances that emerge must be explained.
- c) The Department should make an effort to translate the Provisioning Administration System Manual into the other nine (9) official languages, besides English and Afrikaans.

5.2 Stock Controls in Kitchens

The objective of stock control at the kitchens is to ensure that the quantities of stock being requisitioned from stores are reasonable relative to the number of prisoners to be fed.

The Commission therefore recommends that a “walk-through test” be performed periodically as follows:

- a) Determine the total number of prisoners that the kitchen serves on that particular day.
- b) Obtain the menu for each meal and determine the quantities of ingredients required for each serving.
- c) Obtain the kitchen’s requisition of stock from stores.
- d) Perform a reasonableness test of the quantities of items ordered against the food prepared. Where material variances are identified, inquire as to the reasons.
- e) Determine what happens to uneaten meals.
- (f) The issue of uneaten meals can be a major source of abuse by officials

and prisoners. In the circumstances, guidelines should be prepared as to what happens to uneaten meals. The guidelines should seek to ensure that there are as few uneaten meals as possible to avoid pilferage and wastage.

5.3 Kitchens at Pretoria Prisons

As regards the kitchens investigated in the Pretoria Management Area, the Commission recommends that:

- a) More frequent stocktakes are required to be done in all kitchens to reconcile physical stock. With respect to the kitchen at C-Max, in particular, a stocktake should take place every week to reconcile the existing stock records.
- b) All kitchens should ultimately adopt the system used at the Local Prison kitchen, which requires that ordering and recording is effected both electronically (on computer) as well as manually. The results of the investigation at the Local Prison kitchen suggest that the Department's stock control system is not, in itself, deficient but rather that the personnel at C-Max are either negligent and/or lacking in training and supervision.
- c) In this regard, Mr Molate at C-Max should be charged in terms of the provisions of clause B (2.1) of the Department's Disciplinary Code and Procedure in that the investigation reveals that his work performance has been unsatisfactory due to negligence.
- d) The stock clerk at the Central Prison kitchen requires urgent training with regard to the methods and purposes of stock control.

5.4 Hospitals

With respect to stock control at hospitals, the Commission recommends that:

- a) The nurse in charge should properly record the receiving and issuing of normal medicine so that the flow of medicines can be monitored against the prisoners' hospital files.
- b) The stocktaking should be done regularly. It should be overseen by senior officials from Head Office or, alternatively, by the Audit Committee referred to earlier in this Chapter.
- c) The physical stock control to be implemented at hospitals should follow the same format as the stock count, which is referred to earlier in this Chapter.
- d) The recommendation set out above regarding the use of generic drugs at Durban-Westville Management Area is also applicable here.